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perception and apperception, his theory of monads, and the work of his disciple Tschirnhausen are treated in the second part of the first chapter.

The heir of Leibnitz is Thomasius, with a psychology strongly tinged with individualism. Thomasius is the same who is better known as the abolitionist of witch-prosecution, a man of practical insight and one in contact with real life. Wolff, however, who follows both in time, filling the third chapter, represents a systematisation of the traditional views of the schools.

Dessoir's treatment of the school of Wolff (chapter 4) and of his adversaries (chapter 5), as well as the eclectic psychologists (chapter 6), will be very welcome to the reader, since this is a period in the history of modern psychology which is least known and the sources of which are almost inaccessible in the libraries of America.

Empiricism in German psychology begins under the influence of English, and later on also of French thinkers, whose thoughts subsequently told so strongly on Kant and left their traces in all his followers. The first volume breaks off with the year 1777, the date of publication of Tetens's philosophical essays, which indicated the new spirit of the age to be realised by Kant, who at that time was preparing his essay of habilitation.

We hope to resume the discussion of Professor Dessoir's work on its completion, or on the appearance of its successive volumes.

P. C.

KARL MARX AND THE CLOSE OF HIS SYSTEM. A Criticism. By *Eugen v. Böhm-Bawerk*, Austrian Minister of Finance, and Honorary Professor of Political Economy in the University of Vienna. Translated by Alice M. Macdonald. With a Preface by James Bonar, M. A., LL. D. New York: The Macmillan Co. 1898. Pages, 221. 8vo. Price, \$1.60.

The economic ideas of Karl Marx have retained so great an influence among the accepters of socialism, notwithstanding the repeated attempts to prove their falsity, that it is difficult to believe them to be erroneous and the system based on them without logical justification. And yet the author of the present work would seem to have demonstrated such to be the case. Herr von Böhm-Bawerk is well known to American and English students of economic science as the author of *Geschichte und Kritik der Kapitalzinstheorien*, and he is well qualified to criticise the third volume of Marx's *Capital*, which appeared eleven years after the author's death and more than thirty years after the publication of the first volume. Marx's third volume was looked forward to with great interest both by his adherents and his opponents, because it was expected to give his solution of a question of fundamental importance. This question had been raised by Marx himself in his first volume, but instead of answering it he promised to do so in a succeeding part of his work. It was contained in the admission that the law, that surplus value is in proportion only to the variable part of capital—the part paid in wages—"clearly contradicts all *prima facie* experience." This contradiction was declared to be

only seeming, but when the second volume of *Capital* appeared without the promised solution, the suspense became trying, although its editor, Friedrich Engels, the author being already dead, asserted positively that it was contained in Marx's manuscript. He went further and challenged the followers of Rodbertus in particular, in the interval before the appearance of the third volume, to solve from their own resources the problem "how, not only without contradicting the law of value but even by virtue of it, an equal rate of profit can and must be created." The effect of this challenge furnishes striking testimony to Marx as a thinker, as mentioned by Herr von Böhm-Bawerk, who states in his Introduction that economists of various schools attempted to penetrate the mystery in which Marx's views were shrouded. There was even a regular prize essay competition on the "average rate of profit" and its relation to the "law of value." No one succeeded in carrying off the prize, although, as pointed out by Dr. Bonar in the Preface to the present volume, Professor Lexis gave substantially the same answer as that supplied by Marx's third volume. This was published in 1894, and the problem and its solution are considered by von Böhm-Bawerk in that part of his *Criticism* which treats of "The Question of the Contradiction," which he shows to be evaded instead of the contradiction itself being got rid of. Important as is this portion of the author's work, still more so is that which has for its topic the "Error in the Marxian System," and as this is of more general interest than the former we will give consideration to it first.

As is well known, the fundamental thesis of Marx's system is that labor is the real source of value. This view was taken by the earlier economists Smith and Ricardo, though without furnishing any proof of its truth, although they found evidence of it satisfactory to their own minds in an assumed natural state, "an idyllic state of things where labor and value were one." Such an assumption agreed so well with the socialistic tendencies of Marx that he accepted it unconditionally, and it became to him a matter of earnest conviction. For his system, however, he had to supply formal proof of the truth of the statement that value is derived from labor, and this he did "in the form of an abortive dialectic, more arbitrary and untrue to facts than has probably ever before been known in the history of our science." It is impossible to follow Herr von Böhm-Bawerk through all the stages of his exposure of Marx's errors, but that which deals with the fundamental proposition of the system may be noticed in some detail. This proposition is, that the exchange value of commodities finds its origin and its measure in the quantity of labor incorporated in the commodities. Marx offers no proof of its truth drawn from experience, and he could not have done so, for "the reasoning of the third volume proves that he was quite aware of the nature of the empirical facts, and that they were opposed to his proposition. He knew that the prices of commodities were not in proportion to the amount of incorporated labor, but to the total cost of production, which comprises other elements besides." Nor does Marx adopt the psychological method and endeavor to establish the truth of his proposi-

tion by reference to the motives which, on the one hand, govern people in the determination of exchange prices, and, on the other hand, guide them in their co-operation in production. He prefers the simpler plan of taking Aristotle's idea that "exchange cannot exist without equality, and equality cannot exist without commensurability," and expanding it by conceiving the exchange of two objects under the form of an equation, and inferring "that 'a common factor of the same amount' must exist in the things exchanged and thereby equated." He then proceeds to search for this common factor, and by the exclusion of all the properties possessed by the objects exchanged which cannot stand the test, he finds it to be labor and nothing but labor. This proof by "negative instances" fails, because Marx, in searching for the common factor, neglects the exchangeable goods which are not products of labor but are gifts of nature, such as coal-beds, stone-quarries, the soil, gold mines, etc. This narrowing of the sphere of exchangeable goods as a whole is ingeniously effected by the employment of the term "commodities," and he then proceeds to get rid of the competitors of labor as creators of value by affirming that a *value in use*, or a *good*, "has only a value because abstract human labor is stored up or materialised in it." The author has no difficulty in proving that the reasoning in support of this proposition is fallacious. And he shows that Marx was repeatedly forced to admit that there can be no exchange value where there is no value in use. He points out, moreover, that if the subjects of two paragraphs he quotes were transposed, as would have been the case if Marx had chanced to reverse the order of the examination which led to the exclusion of the value in use, labor would have been excluded in its stead, without the seeming justness of the reasoning being affected. Marx's next proposition is that the value of different commodities is in proportion to the working time necessary to their production, and when arguing in support of it he asserts that "skilled labor counts only as concentrated or rather multiplied unskilled labor," which he justifies by reference to experience. The author has no difficulty, however, in showing that Marx's reasoning is in a circle, although its defects are so cleverly concealed as not to be noticeable by the ordinary reader.

One of the best portions of von Böhm-Bawerk's book is that which immediately follows, in which he examines into the position accorded by Marx in his system to "competition," and his views in relation to supply and demand, which are said to cease to act when they balance each other. The falsity of this notion is exposed and Marx's statements made to exhibit so many contradictions that his critic is led to the conclusion that the system is not in touch with the facts.

But it is time to say a few words in relation to "The Question of the Contradiction" already referred to. This question the author deals with in an elaborate manner, examining in detail all the arguments direct and indirect in favor of the position that, in the last resort, the Marxian law of value determines the prices of production, showing that they are utterly inconclusive and that the contradiction remains as strong as ever. That Marx's theory of value is not consistent with ac-

tual experience is admitted by Werner Sombart, to a consideration of whose apology for the Master the last chapter of the present volume is devoted. We must leave this to the reader, who will find in it much to support the criticism of Marx's system contained in the earlier chapters. The value of the work in its English form is increased by the condensation of the argument given in Dr. Donar's Preface and by its reference to noteworthy passages. With the quotation of one of these this notice may be concluded. After remarking that socialism, neither practical nor theoretic, will certainly not be overthrown with the Marxian system, the author continues: "As there was a socialism before Marx, so there will be one after him. "That there is vital force in socialism is shown, in spite of all exaggerations, not "only by the renewed vitality which economic theory has undeniably gained by "the appearance of the theoretic socialists, but also by the celebrated 'drop of "social oil' with which the measures of practical statesmanship are nowadays "everywhere lubricated, and in many cases not to their disadvantage." In conclusion we may say that the translators of the work deserve credit for its appearance in English dress, and it will doubtless many find readers among English-speaking peoples.

C. S. WAKE.

SOME PHILOSOPHY OF THE HERMETICS. Los Angeles, Cal.: B. R. Baumgardt & Co. 1898. Pages, ii+109. Price, \$1.25.

SOME MORE PHILOSOPHY OF THE HERMETICS. Los Angeles, Cal.: B. R. Baumgardt & Co.; New York: Alliance Pub. Co. 1898. Pages, viii+232. Price, \$1.50.

These two books contain rhapsodies on Hermetics, Philosophy, Faith, Imagination, the Devil, etc. The first book begins as follows:

"Nature has a way of concealing and revealing. She tells half her story out "in the sunshine in a loud voice, and the other half in whispers underground.

"She is coy like a coquette, and stern like a judge. She excites curiosity in "the student, and dread in the debauchee.

"She holds the man of science to her breast, but is dumb to the lover of "pleasure. She scorns the victim of priestcraft and repudiates the supernatural."

The last chapter which is on magic closes as follows:

"Would you be a magician, stir up the smoldering coals at your own fireside. "Begin to burn. Feel your blood hot in your veins. Warm yourself with memo- "ries of sun-tinted dreams. *Pray—pray—pray* at the shrine of the Sphinx."

The Hermeticism of the Middle Ages is repudiated. The author says:

"The absurdity of the Hermetic of the Middle Centuries would be laughable "were it not so pathetic. When he speaks of sulphur and mercury and so forth "and so on, his pages in print appear more like the ravings of a lunatic than any "thing else. To pass as a harmless crank was his only hope of living at all, once "upon a time. 'But to-day,' you say, 'there is no danger, why keep up this ab- "surd symbolism?' We reply, partly from the association of ideas, which, in a